

ADM James M. Loy, Commandant, U.S. Coast Guard

Thank you very much. For all of you, let me just pass my thanks. I share the Secretary's gratitude for your participation in our couple of days of effort. I think it's very important to hear at least a snapshot associated with the five team areas that we have made an effort to put together.

There are a couple of people who really deserve some thanks for what we are about to undertake this week. Especially, the MTS Interagency Steering Committee and the Interagency Working Group, who have put in enormous numbers of hours, for their work in conducting the seven Regional Listening Sessions and the planning that went into this conference -- I'll thank them in advance. I would also like to thank the Marine Board and the Transportation Research Board because we checked with them to see if we are going in the right direction and their advice and counsel has been very, very helpful.

To all of you who participated in the Regional Listening Sessions, I thank you. A lot of what we're doing here these couple of days is keyed to the agenda that was set by those sessions. It was not set by us up front, but rather we hope we listened very carefully and generated the agenda for these couple of days based on what you told us were the concerns that we should have. And lastly, I would be remiss if I didn't thank MARAD and the many other federal agencies for partnering with us.

The drive, as it related to leadership, came directly from Secretary Slater as he kicked the initiative off eight months ago for this conference this morning. This, indeed, is a "ONE DOT-PLUS" initiative associated with all of the modes in the Department and, of course, many others as we stretch out into other elements of the federal establishment.

I think Secretary Slater has aptly defined the issue that requires, in his words, vision and vigilance. And he has laid out workable requirements for this MTS vision session that we have asked all of you to come and help us develop. Indeed, it should be international in reach and intermodal in form, intelligent in character and inclusive in nature. Now I am greatly encouraged that all of you, having heard the enormity of the challenge, and especially those of you who listened and spoke through the course of the Regional Listening Sessions, chose to come anyhow in the face of the enormity of this particular challenge and are still here in the room to give us some help. Citizens, I would suggest, of a weaker public spirit perhaps would have been a little bit too daunted by the task and chose to do other things.

During this conference, we will have breakout groups on five topics. And my charge this morning is to give you a couple of insights as to three of them, safety, security, and environmental protection, and Clyde Hart will address the other two, competitiveness and infrastructure.

Safety and environmental protection are rather inherently linked to each other. So I'll treat them momentarily together this morning, though I acknowledge of course, that each

has its own distinct issues and challenges. As much of you are aware, laws, such as the Ports and Waterways Safety Act and OPA 90 gave the Coast Guard significant waterway safety and environmental protection responsibility and authority.

And it is interesting for me to note that each one of them and many other significant laws that have proven to be the cornerstones of our business, have followed major tragedies or followed major accidents. And these are certainly cornerstone items of the federal rules that we all now share. And I think we should all take great pride, and much of the pride in the contributions that we have all made, and I mean all of us in the room, since the enactment of any one of these pieces of legislation. But I would offer that legislation can only go so far in addressing the trends, challenges and the national needs that the Secretary mentioned in his opening remarks.

For example, they ask us to consider the environmental and safety implications of container ships carrying 15,000 20-foot-equivalent units along waterways and into ports already stretched to capacity with the present volume of traffic. Well I would offer that we now need to add to that picture high speed ferry vessels, passenger ships capable potentially of carrying 5,000 people. Consider the implications for vessel traffic management for buoyage and all of the other elements that are on the menu of our safety system.

Consider these in the context of a world economy that will undoubtedly demand quicker transit, quicker turnarounds, fewer delays for these larger, faster and more numerous commercial vessels. Consider the added safety implications of the continued expansion of our recreational boating safety population as millions of baby boomers retire to their sailboats in our coastal waterways. Offering that challenge that has constantly been part of all of us that go to sea as to whether the big boat, little boat rule is going to continue to play out on the nation's waterways.

Well we've been enormously successful. When I say we, I truly mean everyone here in reducing the number, the rate, the volume of oil spills since the passage of OPA 90 -- so you can watch behavior follow legislative reality all the way through our history. It's clear to me, though, that continued progress in safety and environmental protection simply won't happen in the next century unless we articulate a vision for our MTS and work very hard collaboratively to make certain that that vision becomes reality. Against the backdrop of a burgeoning, bustling congestion, we must also manage very real security issues into the next century.

The Office of Naval Intelligence published a booklet last year that sets forth a list of maritime challenges facing America in the future. Let me just give you this list: smuggling of drugs, aliens, technologies and untaxed cargoes, destabilizing arms trafficking, violations and circumvention of environmental protection laws, challenges to our critical infrastructure base, attempts to violate economic sanctions, piracy, terrorism, uncontrolled mass migration, the depletion of fish and other resources in our exclusive economic zone.

Think about that list for a moment. All of these threats are very serious. And I would offer that all of them are actually growing as we speak. Separately, and collectively, they pose dangers to our borders, our economy, our environment and our safety. The Coast Guard devotes many of its resources to the business of engaging these threats before they reach our shore. However, many extend to the ports and waterways and manifest themselves in ways that affect our Marine Transportation System. For example, increased trade volume simultaneously increases opportunities for smuggling and cargo theft. And much of what we face on the nation's waterways and truly on the international waters of the world today are no longer nation-state-sponsored elements of terrorism or elements of piracy, but in fact, criminally-sponsored by international organizations.

How do we balance demands for more open international commerce with our need for protection against this array of security threats? That answer must be part of our vision as we construct it this week. The dependence of U.S. presence overseas increases -- I'm sorry, the reduction of U.S. presence overseas actually increases the dependence of the U.S. armed forces on the domestic MTS whenever it must move masses of military material. That makes the MTS infrastructure a more- likely target of those who would constrain U.S. forces and cripple our nation's economy but do not dare to attempt a direct military confrontation.

How do we support a national security transportation set of requirements in addition to the other demands we have noted? I would offer that, too, must be somehow constructed as part of our vision. Clearly our work is cut out for us. We know what we want from our MTS. We want ports and waterways that can manage high volumes and maximize throughput. We want to maximize shared access to support economic growth and recreational use. And we want all of this without compromising safety, security or our environment. How do we accomplish these goals? I think the answer is -- the short answer at least, is that we must find a way to do it together. In our discussions this week, it should never be far from our consciousness that we must surely get about the business of creating a mechanism for coordinating the responsibilities and actions of the multiple and separate MTS authorities and interests. The key is cooperation, collaboration and forming consensus.

If there was a single answer that came out of the listening sessions, it was, 'get your act together feds, there are too many voices speaking too many elements of policy in too many directions.' As we conducted our listening sessions earlier this year, that is the most consistent, the clearest and the most emphatic request from the users and customers as we hear them out. There are over 15 agencies, and many, many more state and local agencies, who regulate and manage some aspect of the Marine Transportation System.

The public reasonably expects, at a minimum, a clear delineation of who is responsible for what and whom it may petition to resolve conflicting agency requirements. This expectation is in keeping with the Secretary's requirement that this system be intelligent in character.

Ports such as Rotterdam, Singapore and Hong Kong are often held up as examples of efficiency and effectiveness. I plan to visit Rotterdam in a couple of weeks just to see which of their efficiencies in this area can be understood and potentially transplanted to America's ports and waterways. I invite you to tell me through the course of the next couple of days what I should be checking for, what I should be looking at when I get there. I spent a day in Tampa last week and I am convinced that the key to the successful growth of that port is a consensus decision-making apparatus called their harbor safety committee, that is keyed from a commitment by all the users there, the consensus, judgments and actions.

Also in keeping with the intelligence requirements is cooperation on the integration of information systems where shared access is appropriate and can serve common purposes for larger communities at less cost. I am confident that today's technology can help give us that capability to provide, if you will, one stop shopping. One place where we can all go to get the information MTS customers need, everything from real-time environmental data to port availability. And I'm also confident that today's technology can give users the capability of reporting all the information required by various government agencies to exactly one data collection form. And we need to discuss and figure out how to do this so it becomes simple for all of us.

One of the things we hope to accomplish here is to establish a way that we can work together in a more coordinated and efficient manner. As we seek to do so, we recognize the Federal Government certainly didn't invent public-private cooperation. Again, my visit to Tampa last week offered a demonstration of what can happen when stakeholders work together to move a port forward. Obviously if the Federal Government can deliver more efficient services, everyone will benefit.

However, many of the solutions, solutions for improved throughput, better systems management and one-stop information brokering will need to be developed at the port level as well. Right now I think it is time for us to think globally over the next couple of days so that others can act locally. Our challenge is to develop a national framework for local solutions. It is also imperative that we design collaborative decision-making structures at both the national or regional or local level.

Finally, a word on Secretary Slater's proper insistence that this MTS vision of ours be inclusive in nature. This conference is simply an additional step along the path that we started out on about 18 months ago. Everybody affected by the vision that we want to produce as a deliverable from this conference will have the opportunity to contribute to it. In conclusion, there is a requirement of this process.

I look forward to rolling up my sleeves, taking my tie off, and working with everyone here for the next couple of days on these vitally important national issues. We speak in the award-winning DOT strategic plan of our dream of having an efficient, effective national transportation system for the 21st Century. Those of us in this room must guarantee that the Maritime dimension of that National Transportation System never is allowed to become the weak link. Thanks very much.